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PROBABLE DEVELOPMENTS IN SAUDI ARABIA

- I. First reports from Sandi Arabia after death of King Ibn Sand indicate:
 - A. No immediate break in maintaining central authority under new King Saud,
 - B. US oil and military installations on Persian Gulf are safe,
 - C. No change in Saudi relations with US
 nor in Saudi suspicious of British
 intentions.
- II. Long-range difficulties, however, can threaten position of Saud and indirectly affect American interests on Persian Gulf:
 - A. Saud's ability and authority are largely untested. Former crown price previously leaned on and was backed by prestige of Ihn Saud, who single-handedly united kingdomocument no.

 NO CHANGE IN CLASS 17

- B. Conflicting ambitions of several together. Most important of those are together.
 - Paisal, who is foreign minister and who has now been designated crown prince.
 - 2. Finance Minister Sulaiman, sid
 - 25X6 financier, shrewd and contentions.
 - 3. Ibn Jaluwi, strong governor of eastern province where ARAMCO installations and Dhahran air field are located.
 - 4. Ambitious deputy foreign minister.

 Yusuf Yassin, generally considered.

 difficult and anti-Americas.

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- C. External difficulties which can enhance Saud's domestic problems:
 - 1. Dispute with Britain over the
 Buraimi oasis, which may intensify
 rivalry between British-led tribal
 sheikhs (along Persian Gulf around
 to Aden) and Arab leaders loyal to
 Saudi Court.
 - 2. Unknown effect of Ibn Saud's death on Saudi Arabia's position in Arab world. Saud visited several Arab states earlier this year, but his influence is still uncertain.

 Possibility therefore of renewal of traditional Saudi hostility toward Iraq and weakened ties with Egypt and Syria.

- Important tribal sheikhs loyal to

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- D. Additional problems are posed by new labor unrest in oil industry.
 - Government mishandled October strike in Dhahran.
 - 2. Communists probably involved.
 - 3. US government and ARAMCO officials agree more trouble likely.

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